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UNITED STATES DEPARTMENT OF AGRICULTURE  
Bureau of Agricultural Economics

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WHAT PROBLEMS ARE FARMERS  
MOST CONCERNED ABOUT TODAY?



(For Administrative Use)

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The following memorandum summarizes the BAE's material 1/ dealing with the question: What problems are farmers most concerned about today? In an effort to be concise, variations in farmers' concern with basic problems by regions and by social factors such as tenure and economic status have not been adequately covered. However, many farmers are deeply interested in each of the problems discussed below.

These problems are divided into three main groups.

1. Problems of the war
2. Problems of making a living
3. Problems connected with farm programs 2/

#### I. Problems of The War

To what extent are the impact of the Second World War and the question of America's relationship to its problems in the thinking of farm people? What is their formulation of these problems? The BAE has collected data which bear on these questions during the past year and a half. Our latest directly pertinent material was obtained during the early part of this year. However, interpretations of more recent data and the impressions of field men suggest that the following analysis represents with substantial accuracy the present state of farm attitude on this subject.

##### A. Importance of the war problem to farmers

Farmers are concerned about the question of America's relationship to the war but the issue still seems to lack the urgency in their minds which might be expected in view of the grave international situation. Other problems that will be outlined later in this memorandum seem more immediate and pressing to them. The nature of some of these problems throws light on why they have crowded the war question into the background in the minds of many farmers. Such problems as being unable to find farms to rent, lacking many of the necessities of life, not knowing when an entire crop will burn up in a drouth are so urgent that any other issue, even the war, seems relatively unimportant to many farmers.

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- 1/ Material was collected in every region East of the Rocky Mountain States.
  - 2/ The summarization and write-up of material bearing on this third group of questions is not yet complete.





## B. The problem of peace or war

It has been suggested previously that this problem is present in the minds of farmers although somewhat less urgently than certain other problems. Their attitude to the problems of peace or war is conditioned by two facts:

1. The BAE's material has consistently shown that a large majority of farm people are opposed to American participation in a "shooting" war outside of the Western Hemisphere. The proportion willing to have this country get in the war has not risen above 25% during any period for which the BAE has data, and frequently it has been considerably smaller. Well-to-do farmers seem to have been somewhat less firm in their opposition to war than poor farmers.
2. A large and increasing majority of these same farmers have felt that the United States would become involved in the European conflict.

This conflict between desire and expectation has resulted in concern among farmers as among all our people. Some have hoped that the program of aid to England short of war would reduce the likelihood of our being drawn in. But a field man who has just returned from interviewing in cities suggests that recent British military reverses have tended to reduce the willingness to give Britain increased help because of a feeling that such help, coupled with the precarious British position, would now cause our involvement or weaken our ability to meet a future Nazi threat.

## C. The problem of the impact of war on agriculture

### 1. Short-term prospects

Farmers' expectations regarding the effect of war on prices of farm products have shown marked fluctuation in the past year and a half. Recently there seems to have been an increase in the feeling that the war will raise farm prices. The latest data indicate that a substantial majority are of this opinion although such optimism is most pronounced among large farmers.





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However, expectations of increased agricultural prices do not automatically insure expectations of over-all benefits from the war or increased approval of the aid-to-Democracies program because of the following reasons:

- a. Farmers are acutely conscious of rising prices for the goods which they buy. Most of them expect that these prices will outstrip farm prices in the inflationary race and that business and industry will gain most from war-time price changes.
- b. Some little farmers and tenants who raise a very small cash crop feel that increased agricultural prices will not benefit them.
- c. Producers of tobacco, cotton, and wheat are keenly aware of the loss of foreign markets for these crops and are pessimistic about regaining them.

Many farmers are concerned even about the short-run economic outlook. They come up to this year's planting time uncertain about the future and confused as to how they should plan to meet the difficult days ahead.

## 2. Long-run prospects

The long-run outlook seems even more discouraging to most farmers. Many of them expect the war to be followed by a depression "the like of which we've never seen." The reasons for this are threefold:

- a. There is a widespread feeling that the European nations will be so exhausted and impoverished after this war that, however much they may need our farm products, they will not be able to pay for them.
- b. Farmers expect a terrific industrial depression which will reduce domestic purchasing power and, hence, the consumption of farm products.
- c. Their memory of what agriculture suffered as a result of the last war is still strong.

Farmers view these post-war difficulties as a major problem confronting agriculture. Many feel that actual participation in the war by this country would intensify the problem. At present, few envisage any solution that seems adequate.





## II. Problems of making a living

As pointed out, farmers face certain problems arising out of the basic difficulty of making a living that seems very pressing and urgent to most of them. An analysis of these problems suggests that farmers may attribute their difficulties to one factor without being aware of the relationship existing between this factor and certain other factors. For example, some of the complaints about low prices for agricultural products may be due primarily to small farms, poor land, low yields, and high production costs. It is important, however, to know the farmer's formulation of his problems. This formulation is presented below.

### A. Prices and markets

#### 1. Low prices for farm products

Concern over this problem is quite general and seems to be persisting in spite of the impact of the war. Optimism over the expected effect of the war on farm prices has fluctuated widely in the past year and a half; but the feeling continues in many areas, especially the Wheat and Cotton Belts, that although the war may raise prices moderately, the increase will not be sufficient to give farmers fair prices.

Many farmers refer to two major factors which they consider responsible for low farm prices.

##### a. Loss of foreign markets

Recognition of this problem is quite frequent among producers of export crops--particularly cotton.

##### b. Control of "middlemen" over markets for farm products.

The old Granger spirit still shows itself in the concern which many farmers express over the grip of the "tobacco buyers," "the cotton ginner," the "grain trade," the "packers," the "milk distributors," or the "canners" on the markets to which they sell, and the feeling that low prices are due at least in part to the unfairness of these "middlemen."





2. High prices for products which farmers buy

If there is any single problem that almost all farmers recognize, it is this one: that prices of the goods they buy are too high and that the war is driving them even higher. The feeling that industry or business will gain most from price changes due to the war is widespread. One farmer expressed his hopelessness of ever catching up with rising industrial prices in the following aphorism: "It takes a bale of cotton to stop up a little break in the fence."

B. Insecurity on the land

Farmers are increasingly worried about maintaining their relationship to the land. The problem has three facets:

1. Loss of ownership

Mortgages and foreclosures still represent a threat to many farmers.

2. High rentals

Complaint against increasingly high rents is growing

3. Difficulty of finding farms to rent

Many farmers, especially in the intensive cash crop areas, complain bitterly about the difficulty of renting a farm. There is strong resentment against the large farmers who have "spread out" and are farming land which formerly supported many families, and against the city people who are buying up farms and operating them with salaried managers. It is growing harder for tenants to rent farms and many are forced to become wage hands, or are pushed off the land altogether. This insecurity is certainly the major problem confronting many farm people.



